



Defense Logistics Agency (DLA) and the Dresser-Rand Company
Strategic Supplier Alliance (SSA)

This Charter formally establishes a DLA/Dresser Rand Company Strategic Supplier Alliance (SSA). This SSA is part of DLA efforts to redesign how it contracts with selected major suppliers to improve customer support and responsiveness. A cross-functional Continuous Improvement Team (CIT) will support the SSA. The purpose of this team is to develop a business relationship focused on strategies that maximizes customer buying power and supplier capability. The end goal is to obtain mutually advantageous pricing, reduced customer wait time, improved product quality, more accurate forecasting, and decreased administrative costs for sole source Dresser-Rand items.

To enhance the DLA and Dresser-Rand SSA, the DLA CIT will develop and coordinate a strategy acceptable to all stakeholders. This strategy is premised on a near-term, performance based approach designed to create innovative contracting and supply solutions that will result in integrated and improved processes. The SSA stakeholders will include key representatives of Dresser-Rand, the DLA (including Defense Supply Centers in Columbus, Richmond and Philadelphia), Defense Contract Management Agency, Defense Contract Audit Agency, NAVICP-Mechanicsburg and the invited Military Service Representatives. Other stakeholders may be identified as needed.

The DLA/ Dresser-Rand SSA campaign will be jointly sponsored and co-chaired by DLA and Dresser Rand. The SSA performance based contracts will use performance metrics to target, track and assess key performance metrics, and may include incentive arrangements to enhance performance. The CIT is co-chaired by Ms. Eleanor Holland, DSCC, and Mr. Fred Conroy, Dresser-Rand, with NAVICP Mechanicsburg, as a valued participant. The co-chairs will be responsible for identifying and inviting appropriate stakeholder representatives to CIT meetings. Upon signature of this document, the CIT will report back to the Executive Steering Committee the team's proposed recommendations for the SSA.

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